



July 11, 2006

Lynn Fabrizio, Staff Attorney/Hearings Examiner
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH

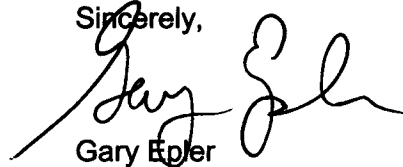
Re: Investigation into Utility Poles
Unitil Energy Systems, Inc. Response to Data Requests
DM 05-172

Dear Lynn:

On behalf of Unitil Energy Systems, Inc. ("Unitil"), enclosed please find an original and four (4) copies of the Company's response to Request No. 3-44A of the Commission Staff's Third Set of Document and Information Requests. An electronic copy of this filing is being e-mailed to all parties.

Thank you for your attention to this matter.

Sincerely,



Gary Epler

Enclosure

cc: Service List (by e-mail)

Gary Epler
Senior Counsel

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-773-6440
Fax: 603-773-6640
Email: eppler@unitil.com

New Hampshire Public Utilities Commission
Generic Investigation Into Utility Poles
Docket No. DM 05-172
UES Response to Commission Staff's Third Set of Data Requests

Reference No. Staff 3-44A

Does your company believe that the other companies with whom you have an IOP are conforming to their respective IOP's for pole maintenance, trimming, or inspections? If not, please specifically describe why not for each instance. For companies with an IOP with more than one other company, please supply a separate response for each.

Response:

Unitil Energy Systems ("UES") has Intercompany Operating Procedures with Verizon, Dunbarton Telephone, Kearsarge Telephone, and Merrimack County Telephone. UES is not aware of any nonconformance issues with the respective IOP's of Dunbarton Telephone, Kearsarge Telephone, and Merrimack County Telephone for pole maintenance, trimming, or inspections. With respect to its IOP with Verizon, UES does not believe Verizon is fulfilling its obligations for pole inspections, maintenance, and trimming as follows:

Verizon

Inspections: Inspection criteria are defined in IOP #16, which states in part:

"1. Initially all joint poles shall be inspected at or before the age of 20 years. Poles shall be re-inspected at intervals not to exceed 10 years."

In the reply to Staff 1-12, Verizon states that pole inspection are completed on an on-going and regular basis, typically when the poles are climbed, and therefore a set pole inspection schedule is not required. In Staff 1-13, Verizon states that they do not maintain records of the number of poles found to be rotten or structurally unsound. In Staff 3-43, Verizon states that it *reasonably believes* that over a 10 year period the *vast majority* of poles in its maintenance area are inspected using routine work practices, yet offers no data to support this belief, and admits that it is unverifiable. Verizon was unable to provide any documentary evidence of a systematic pole replacement program, any records of poles found to be rotten or structurally unsound, or any records demonstrating that poles are replaced when found to be defective during pole inspections. UES asserts that compliance with IOP#16 requires that all poles be inspected on the specified schedule, and that records of defects be recorded (until corrected) in order to comply with NESC 214A4.

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Furthermore, in a meeting between UES and Verizon on November 8, 2004, the parties read the applicable provisions of the IOP and confirmed that inspections are to occur on a 10 year schedule. Verizon representatives acknowledged that they are not following the IOP. In a subsequent meeting on December 13, 2004, Verizon stated that they had looked at the Unitil IOP and agreed there is a provision they are not following. They further stated that they were looking at solutions (such as light duty assignments) to get back into cyclical inspections, and intended to start pole inspections. To date, Verizon has not informed Unitil of any actions it has been taken to resume regular pole inspections.

Pole maintenance: Pole custody and maintenance responsibilities are defined in IOP #4, which states in part:

- "2. The custodian shall maintain all poles and anchors in its custody in safe and serviceable condition in accordance with the provisions of Article 5 of the Agreement.
3. The custodian shall replace such poles as become defective or are of insufficient size or strength for existing or proposed attachments."

As stated previously, Verizon provided no documentary evidence of a systematic pole replacement program, no records of poles found to be rotten or structurally unsound, and no records demonstrating that poles are replaced when found to be defective. In response to Staff 3-39, Verizon states there is no need to track deficiencies, as they do not exist. Yet this definition of "deficiencies" is limited to those instances in which poles are found to be an "immediate hazard." In response to Staff 3-38, Verizon asserts that poles that are "made safe" do not represent an immediate hazard, and may be replaced on a scheduled basis, despite the fact that such poles are often badly damaged or broken. UES argues that such poles are neither safe nor serviceable for existing attachments. Furthermore, UES believes it is far more common for poles to have deteriorated with age so they are no longer of sufficient size and strength for existing attachments. Yet these poles may not have not reached Verizon's self determined threshold of "immediate hazard."

UES receives very few Exchange of Notice communications which would normally be generated as a result of a proactive pole maintenance program. Given the amount of pole plant maintained by Verizon, we would expect to receive a reasonable volume of annual pole replacements. In addition, it is our experience that Verizon does not replace poles in a reasonable timeframe, even when notified that poles in their maintenance area has become damaged and/or

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defective (i.e. as a result of a motor vehicle contact). In some cases, such poles remain in service for an extended period of time.

Trimming: Responsibilities, including sharing and allocation of costs for joint trimming, are specified in IOP #17.

UES does not believe that Verizon is conforming with the requirements of the IOP with respect to sharing in the costs of joint trimming. Please see UES response to Staff 3-25 and referenced attachments.

Person Responsible: Raymond A. Letourneau, Jr. **Date:** July 11, 2006